

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Application of)

PUBLIC UTILITIES COMMISSION)

Instituting a Proceeding to Investigate the)
Implementation of Feed-in Tariffs.)
_____)

DOCKET NO. 2008-0273

PUBLIC UTILITIES
COMMISSION

2010 FEB 16 P 3:08

FILED

**TAWHIRI POWER LLC'S
INFORMATION REQUESTS TO
HAWAIIAN ELECTRIC COMPANY, INC., MAUI ELECTRIC COMPANY, LIMITED,
AND HAWAII ELECTRIC LIGHT COMPANY, INC.**

AND

CERTIFICATE OF SERVICE

HARLAN Y. KIMURA
ATTORNEY AT LAW, A LAW CORPORATION
Central Pacific Plaza
220 South King Street, Suite 1660
Honolulu, Hawaii 96813
Telephone No. (808) 521-4134

Attorney for Tawhiri Power LLC

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)	
)	
PUBLIC UTILITIES COMMISSION)	DOCKET NO. 2008-0273
)	
Instituting a Proceeding to Investigate the)	
Implementation of Feed-in Tariffs.)	
)	
_____)	

**TAWHIRI POWER LLC'S
INFORMATION REQUESTS TO
HAWAIIAN ELECTRIC COMPANY, INC., MAUI ELECTRIC COMPANY, LIMITED,
AND HAWAII ELECTRIC LIGHT COMPANY, INC.**

TO THE HONORABLE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII:

Pursuant to the Hawaii Public Utilities Commission's (the "Commission") Order Setting Schedule filed herein on October 29, 2009 ("Scheduling Order") with respect to the "Parties Information Requests on Reliability Standards and Queuing and Interconnection Procedures", as amended, TAWHIRI POWER LLC ("TPL") hereby submits its Information Requests to Hawaiian Electric Company, Inc., Maui Electric Company, Limited, and Hawaii Electric Light Company, Inc. ("HECO Companies") as follows:

INFORMATION REQUESTS

TPL-HECO-IR-1

You state on Page 4 of the Reliability Report ("Report") that "Due primarily to the high level of existing and planned renewable resource penetration on the MECO and HELCO systems, the studies indicate that there is minimal to no room at this time to accommodate additional renewable resources (FIT or otherwise) without significant curtailment of either existing or planned renewable resources, or a threat to system reliability." Please quantify what do you mean by "significant curtailment"?

TPL-HECO-IR-2

You also state on Page 4 of the Report that “the integration of FIT resources on the HELCO and MECO systems may have to be temporarily deferred until additional studies can be performed and/or infrastructure developed”:

- A. How much time will it take to perform the “additional studies” for the Big Island?
- B. When you say “and/or” do you mean the infrastructure can be developed without undertaking the additional studies?
- C. How much time will it take to develop the needed infrastructure improvement?
- D. Please describe the type of infrastructure upgrades that would be needed to allow integrating FIT resources into the HELCO system?
- E. What will be the potential cost of such upgrades?

TPL-HECO-IR-3

You advocate on Page 4 of the Report “convening a Reliability Standards Working Group that would serve as an open and transparent forum to allow stakeholders and technical experts an opportunity to regularly review and provide input to the studies that are described in this report and the attachments thereto”. You also recommend that the Reliability Standards Working Group not be restricted to the FIT parties but include representatives with a range of technical expertise (e.g., the United States Department of Energy, Electric Power Research Institute (“EPRI”) and the Hawaii Natural Energy Institute).

- A. Are you implying that the existing IPPs would have to be FIT parties to be able to participate in the proposed Working Group?
- B. Is HECO willing to forward to the Commission competing proposals for the structure, conduct and scope of activities of the Working Group?

TPL-HECO-IR-4

On Page 5 of the Report you make the assertion that “as this process will be ongoing and require some level of flexibility to respond to changing system conditions, the Working

Group process should be organized and facilitated separately from the Companies' Clean Energy Scenario Planning process".

- A. Which of these two processes drives the other?
- B. How do you propose to consolidate the results of these two processes?
- C. Given the limited resources of many stakeholders, would you consider merging the two processes?

TPL-HECO-IR-5

You assert on Page 6 of the Report that with the existing high levels of distributed generation (DG) penetration of the HELCO system "significant dynamic stability effects on the power system are already being encountered".

- A. Please quantify what you mean by "significant".
- B. Your statement implies the observed "significant dynamic stability effects" have been separately evaluated from the effects often attributed to the renewable resources interconnected on the transmission side. Is this correct? If not please explain how you reached the aforementioned assertion.

TPL-HECO-IR-6

Page 16 of the Report indicates that the total capacity of existing and planned DG on the HELCO system amounts to 17.1 MWs whereas the PV portion is 14.4 MWs. Please specify what types of generation technology account for the 2.7 MWs difference.

TPL-HECO-IR-7

On Page 17 of the Report you state "HELCO has taken many actions to mitigate the impacts of the variable wind generation on frequency control, including modification of its AGC program and parameters". Please describe the:

- A. AGC modifications that HELCO made; and

- B. Other actions that HELCO undertook.

TPL-HECO-IR-8

In Page 17 of the Report you assert that “during periods of high variable resource output, in the absence of significant load growth, it will be difficult for the HELCO system to accommodate future and existing renewable energy resources even if all dispatchable conventional generation operates nearly twenty four hours a day at near minimum”. Are you saying that even during the daily peak demand hours, curtailment would occur under the circumstances quoted above?

TPL-HECO-IR-9

Regarding Figure 2 on Page 18 of the Report, please provide a table specifying the makeup (resource/unit names and MWs) for each of the following categories of generation resources:

- A. Maximum output from dispatchable renewable energy sources;
- B. Maximum variable renewable energy;
- C. Minimum must-run dispatchable generation;
- D. Minimum CC;
- E. Minimum Steam;
- F. Regulation; and
- G. Minimum Reserve down.

TPL-HECO-IR-10

Regarding Figure 2 on Page 18 of the Report, please specify whether:

- A. The Geothermal Category includes the 8-MWs PGV expansion that is under consideration?
- B. The Biomass Category includes the contemplated expansion?

TPL-HECO-IR-11

Does the reference to the “shaded area” in Figure 2 of the Report pertain to the gray area at the top of the graph? If so, are you saying that wind generation would be curtailed most of the day (essentially > 23 hours) during peak wind production episodes?

TPL-HECO-IR-12

The Report states on Page 19 that “In light of the existing grid constraints and the urgency of the situation, HELCO proposes to defer additional variable DG interconnection requests on the HELCO system, including standard interconnection agreement and NEM requests, until appropriate mitigation measures are identified and employed to appropriately integrate additional variable DG”. It further says “HELCO also plans to defer entering into Bi-lateral PPA negotiations” and “Bi-lateral negotiation cannot be guaranteed, and in fact can only proceed if such additional studies show that projects would not result in significant reliability impacts, significant curtailment of existing or planned renewable generation, or unreasonable costs to ratepayers”. In light of these statements, does HELCO/HECO intend to suspend/delay entering into bi-lateral contracts that will add significant geothermal and biomass generating capacity to the system?


TPL-HECO-IR-13

On Page 15 of Attachment 4, the Report states that “HELCO has formal agreements in place to procure additional RE in the next two to three years, consisting of 8 MW of geothermal and approximately 24 MW of biomass energy. These resources will be dispatchable and the energy therefore available on demand except during outages and durations”. Please respond the following:

- A. Please provide a copy of the aforementioned agreements.
- B. Please indicate whether HELCO/HECO is planning to defer procuring the amounts of energy specified in said agreements?
- C. If it is not possible to provide a copy of each agreement, please answer the following:
 - i. When is the planned on-line date for each facility?

- ii. Will energy delivery from the new resources be curtailed before curtailing production from any prior renewable energy resources (i.e., ones with earlier on-line dates)?
- iii. Will the new resources be compensated as Qualifying Facilities (i.e., on the basis of the posted avoided costs of generation of HELCO)?
- iv. Will output from the new resources be rolled into the HELCO avoided cost determination methodology as QFs-in only or as both QFs-in and QFs-out?
- v. Will the new resources be compensated for capacity value and/or ancillary services?
- vi. Did you evaluate the curtailment impacts of adding the new resources on existing generators?
- vii. Did you evaluate the revenue impacts of adding the new resources on existing generators?

DATED: Honolulu, Hawaii, February 16, 2010.


HARLAN Y. KIMURA

Attorney for
Tawhiri Power LLC

CERTIFICATE OF SERVICE

The foregoing document was served on the date of filing by hand delivery or electronically transmitted to each such Party.

MR. DEAN NISHINA
EXECUTIVE DIRECTOR
DEPT OF COMMERCE & CONSUMER AFFAIRS
DIVISION OF CONSUMER ADVOCACY
P.O. Box 541
Honolulu, Hawaii 96809

2 Copies
Via Hand Delivery

MR. DEAN MATSUURA
MANAGER
REGULATORY AFFAIRS
HAWAIIAN ELECTRIC COMPANY, INC.
P.O. Box 2750
Honolulu, HI 96840-0001

Electronically transmitted

MR. JAY IGNACIO
PRESIDENT
HAWAII ELECTRIC LIGHT COMPANY, INC.
P. O. Box 1027
Hilo, HI 96721-1027

Electronically transmitted

MR. EDWARD L. REINHARDT
PRESIDENT
MAUI ELECTRIC COMPANY, LTD.
P. O. Box 398
Kahului, HI 96732

Electronically transmitted

THOMAS W. WILLIAMS, JR., ESQ.
PETER Y. KIKUTA, ESQ.
DAMON L. SCHMIDT, ESQ.
GOODSILL, ANDERSON QUINN & STIFEL
Alii Place, Suite 1800
1099 Alakea Street
Honolulu, Hawaii 96813

Electronically transmitted

Co-Counsel for HECO, HELCO, and MECO

//

//

ROD S. AOKI, ESQ.
ALCANTAR & KAHL LLP
120 Montgomery Street
Suite 2200
San Francisco, CA 94104

Electronically transmitted

Co-Counsel for HECO, HELCO, and MECO

MARK J. BENNETT, ESQ.
DEBORAH DAY EMERSON, ESQ.
GREGG J. KINKLEY, ESQ.
DEPARTMENT OF THE ATTORNEY GENERAL
425 Queen Street
Honolulu, Hawaii 96813

Electronically transmitted

Counsel for DBEDT

CARRIE K.S. OKINAGA, ESQ.
GORDON D. NELSON, ESQ.
DEPARTMENT OF THE CORPORATION COUNSEL
CITY AND COUNTY OF HONOLULU
530 South King Street, Room 110
Honolulu, Hawaii 96813

Electronically transmitted

LINCOLN S.T. ASHIDA, ESQ.
WILLIAM V. BRILHANTE JR., ESQ.
MICHAEL J. UDOVIC, ESQ.
DEPARTMENT OF THE CORPORATION COUNSEL
COUNTY OF HAWAII
101 Aupuni Street, Suite 325
Hilo, Hawaii 96720

Electronically transmitted

MR. HENRY Q CURTIS
MS. KAT BRADY
LIFE OF THE LAND
76 North King Street, Suite 203
Honolulu, Hawaii 96817

Electronically transmitted

MR. CARL FREEDMAN
HAIKU DESIGN & ANALYSIS
4234 Hana Highway
Haiku, Hawaii 96708

Electronically transmitted

//

//

MR. WARREN S. BOLLMEIER II
PRESIDENT
HAWAII RENEWABLE ENERGY ALLIANCE
46-040 Konane Place, #3816
Kaneohe, Hawaii 96744

Electronically transmitted

DOUGLAS A. CODIGA, ESQ.
SCHLACK ITO LOCKWOOD PIPER & ELKIND
TOPA FINANCIAL CENTER
745 Fort Street, Suite 1500
Honolulu, Hawaii 96813

Electronically transmitted

Counsel for BLUE PLANET FOUNDATION

MR. MARK DUDA
PRESIDENT
HAWAII SOLAR ENERGY ASSOCIATION
P.O. Box 37070
Honolulu, Hawaii 96837

Electronically transmitted

MR. RILEY SAITO
THE SOLAR ALLIANCE
73-1294 Awakea Street
Kailua-Kona, Hawaii 96740

Electronically transmitted

MR. JOEL K. MATSUNAGA
HAWAII BIOENERGY, LLC
737 Bishop Street, Suite 1860
Pacific Guardian Center, Mauka Tower
Honolulu, Hawaii 96813

Electronically transmitted

KENT D. MORIHARA, ESQ.
KRIS N. NAKAGAWA, ESQ.
SANDRA L. WILHIDE, ESQ.
MORIHARA LAU & FONG LLP
841 Bishop Street, Suite 400
Honolulu, Hawaii 96813

Electronically transmitted

Counsel for HAWAII BIOENERGY, LLC
Counsel for MAUI LAND & PINEAPPLE COMPANY, INC.

MR. THEODORE E. ROBERTS
SEMPRA GENERATION
101 Ash Street, HQ 12
San Diego, California 92101

Electronically transmitted

MR. CLIFFORD SMITH
MAUI LAND & PINEAPPLE COMPANY, INC.
P.O. Box 187
Kahului, Hawaii 96733

Electronically transmitted

MR. ERIK KVAM
CHIEF EXECUTIVE OFFICER
ZERO EMISSIONS LEASING LLC
2800 Woodlawn Drive, Suite 131
Honolulu, Hawaii 96822

Electronically transmitted

MR. JOHN N. REI
SOPOGY INC.
2660 Waiwai Loop
Honolulu, Hawaii 96819

Electronically transmitted

GERALD A. SUMIDA, ESQ.
TIM LUI-KWAN, ESQ.
NATHAN C. NELSON, ESQ.
CARLSMITH BALL LLP
ASB Tower, Suite 2200
1001 Bishop Street
Honolulu, Hawaii 96813

Electronically transmitted

Counsel for HAWAII HOLDINGS, LLC,
dba FIRST WIND HAWAII

MR. CHRIS MENTZEL
CHIEF EXECUTIVE OFFICER
CLEAN ENERGY MAUI LLC
619 Kupulau Drive
Kihei, Hawaii 96753

Electronically transmitted

//

//

//

//

//

//

//

SANDRA-ANN Y.H. WONG, ESQ.
ATTORNEY AT LAW, A LAW CORPORATION
1050 Bishop Street, #514
Honolulu, HI 96813

Electronically transmitted

Counsel for ALEXANDER & BALDWIN, INC.,
Through its division, HAWAIIAN COMMERCIAL & SUGAR COMPANY

DATED: Honolulu, Hawaii, February 16, 2010.


HARLAN Y. KIMURA

Attorney for
Tawhiri Power LLC